

July 17, 2012

GENERAL ITEM NO. 1

RECOMMENDATION TO ENTER INTO TWO YEAR CONTRACTS WITH HOUSING CHOICE PARTNERS OF ILLINOIS AND HOUSING OPPORTUNITIES UNLIMITED TO PROVIDE CHA'S MOBILITY COUNSELING PROGRAM

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners ("Board") authorize the Chief Executive Officer or his designee to enter into cost reimbursement contracts for a two (2) year base term with Housing Choice Partners of Illinois ("HCP") in an amount not-to-exceed \$1,436,435 for the base term and Housing Opportunities Unlimited ("HOU") in an amount not-to-exceed \$1,281,258 for the base term, with each contract having one (1) additional 1-year option, to provide CHA's Mobility Counseling Program.

FUNDING SUMMARY

General Fund

Vendors:

Housing Choice Partners of Illinois

28 East Jackson – Suite 1109

Chicago, Illinois 60604

Base Term Contract Amount: \$1,436,435

Housing Opportunities Unlimited

50 Redfield Street – Suite 101

Boston, Massachusetts 02122

Base Term Contract Amount: \$1,281,258

Specification No.: 12-00902

Contract Type: Cost Reimbursement

Contract Period: Two (2) Years

Aggregate Contract Amount: \$2,777,515

Dates Advertised: 3/12, 14, 16/ 2-12

Pre-Proposal Conference: 3/26/2012

Date Proposals Due: 4/16/2012

Advertisement: Chicago Sun Times, Chicago Defender, and Extra

Number of Pick-Ups: 16

Number of Proposals Received: 2

Number of Vendors Solicited: 13

MBE: 0 **WBE:** 6 **DBE:** 0

Notification to Assist Agencies: 64

Option Period: 1 - 1-Year Option

Housing Choice Partners of Illinois: Waiver Approved

Section 3: 1 (#) Hiring _____ (\$) Subcontracting _____ (\$) Other Economic Opportunities

Housing Opportunities Unlimited: Partial Waiver Approved

_____%MBE 1.6 %WBE (Indirect) _____ %DBE

Section 3: 2 (#) Hiring _____ (\$) Subcontracting _____ (\$) Other Economic Opportunities

EXPLANATION

Mobility Counseling History

The impetus for the Program is to assist families receiving a Housing Choice Voucher (“HCV”) subsidy in moving to an Opportunity Area within the city of Chicago. An Opportunity Area has previously been defined as a community (census tract) with less than 23.49% of individuals having income below poverty level and no more than 30% of resident families being African American. Working closely with Business and Professional People for the Public Interest (“BPI”), CHA has re-defined Opportunity Area to communities that have no more than 20% of individuals having income below poverty level and no more than 5% of the housing stock are subsidized housing units. The Program’s goal of de-concentrating subsidized units and encouraging families to move to Opportunity Areas is aligned with CHA’s new corporate strategies that focus on helping families maximize their potential, move toward economic independence and creating complete, healthy and strong communities.

Supported by HUD as an effective means to meet the Quality Housing and Work Responsibility Act of 1998, CHA’s Mobility Program helps educate HCV tenants about relocation into Opportunity Areas within the city of Chicago. Counseling agencies provide HCV families with the tools needed to make informed choices on the neighborhoods that are best for their family (e.g. crime statistics, availability of transportation and information on local schools for their children) and establish relationships with landlords to ensure quality units are available for HCV families who desire to relocate to Opportunity Areas. Counseling agencies also work with landlords to educate them on exception rents and promote CHA’s HCV tax incentive options. Ultimately, the Mobility Program seeks to increase the number of families receiving an HCV subsidy in Opportunity Areas, while addressing the existing barriers of mobility. Any lease compliant HCV family, currently not living in an Opportunity Area is eligible for services through the Mobility Program.

From 2001 through 2010, the Program was administered by Quadel, CHA’s former HCV contractor. In January 2011, CHA took over direct administration of the Program by contracting directly with counseling agencies that were already providing similar services to public housing families impacted by relocation.

Since taking over direct administration of the Program, CHA has worked closely with advocates to expand mobility services. CHA now offers more housing choices to participants moving to Opportunity Areas by approving special exception payment standards up to 300% of the HUD published Fair Market Rent (“FMR”) for Chicago. From January 2011 through May 2012, the Program has provided community tours to over 500 families and assisted 437 families move to Opportunity Areas throughout the city of Chicago. This is more than a 50% increase in moves to Opportunity Areas from 2010. It is anticipated that at least 400 families will move to an Opportunity Area during the first year of these agreements.

Mobility Counseling Services

The target population for the Mobility Program includes:

- current HCV participants not currently residing in an Opportunity Area;
- new participants moving in from the HCV waitlist; and
- HCV participants porting in from another housing authority.

CHA's contracted counseling agencies will conduct outreach to HCV participants using a variety of methods including, but not limited to: targeted outreach to families living in communities with the highest level of subsidized units, presentations at HCV moving briefings and special events, and through CHA's website.

Interested families must first attend an orientation conducted by one of the recommended mobility counseling agencies. After completing the initial orientation, participants will be engaged in enhanced mobility counseling workshops. The counseling sessions will include topics such as: (1) housing search techniques, identifying appropriate neighborhoods and tenant rights; (2) comparing schools, crime statistics, transportation options, employment opportunities, etc.; (3) selecting schools using test scores, class sizes, dollars spent per pupil; and (4) information on resources available in community areas, techniques for locating additional community resources, what it means to be a good neighbor, etc.

Engaged families will also participate in community tours to Opportunity Areas and attend open houses of available units. The counseling agencies will provide information and resources on Opportunity neighborhoods including, but not limited to, public transportation, available community and social services, day care facilities, schools and other resources that specifically address the needs of the individual family. Once an appropriate unit has been selected, the counseling agencies will assist in facilitating the process for a move with the HCV department (e.g. unit inspection, rent calculation, leasing process, move papers, etc.). Upon finalizing the move to an Opportunity Area, HCV families will be eligible for a move incentive of up to \$500 that may be utilized for security deposit assistance, new furniture or other costs associated with a move.

Counseling agencies will provide follow-up services to families at 30 days and 180 days after the move. Follow-up services may include: (1) verifying all school age family members are enrolled in a school and provide additional services, if necessary, to help the family determine the most appropriate school choices; (2) ensuring the family is aware of, and engaged where appropriate, with available community and city services, including being referred to CHA supportive services; and (3) coordinating with the owner and/or property manager on any issues that may have arisen with the leaseholder since their move-in.

Contractor Background

The two (2) selected vendors have a unique combination of experience to provide mobility services. Following a competitive procurement process, CHA is recommending:

- HCP has provided relocation services to CHA public housing families through the relocation program since 2003 and mobility services to the HCV population since 2011. In addition to the Program, HCP will continue to assist public housing families referred by CHA for relocation services if the family is being required to relocate due to scheduled building closure for rehabilitation or redevelopment, emergency situations or special requests as determined by CHA. CHA has been satisfied with HCP's performance.
- HOU has more than 30 years experience providing mobility counseling services, case management, and resident services in more than 15 states and the District of Columbia. HOU has worked in a diverse range of experience working with low and mixed-income communities. HOU specializes in assisting communities that are in transition due to redevelopment.

Procurement History

The CHA advertised the Request for Proposal No. 12-00902 ("RFP") on March 12, 2012 in the Chicago Sun Times, Extra, and the Chicago Defender to solicit vendors to provide relocation and mobility counseling services and educate CHA families on the benefits of moving into Opportunity Areas. Additionally, 64 Assist Agencies received notification of the solicitation, and copies were made available at the CHA offices at 60 East Van Buren, 13th Floor. CHA also directly solicited 13 firms, and posted the solicitation announcement on CHA's website and in BuySpeed. A Pre-Proposal Conference was held on March 26, 2012 with representatives from 3 firms in attendance. On April 16, 2012, the CHA received 2 proposals, from HOU and HCP. An evaluation committee consisting of 3 members evaluated both proposals.

After the evaluation committee completed its analysis of the proposals, a competitive range was set and approved by the Contracting Officer. Both firms were found to be within the competitive range and were invited to participate in oral presentations on May 2, 2012. After the presentations, and additional clarifications via telephone, best and final offers were requested and submitted by both firms. Based upon the evaluations of the written proposals, oral presentations and best and final offers, it was determined that both vendors would provide the best overall service and value to CHA.

Conclusion

Based upon the foregoing, it is in the best interest of CHA to authorize the Chief Executive Officer, or his designee, to enter into cost reimbursement contracts for a two (2) year base term with Housing Choice Partners of Illinois in an amount not-to-exceed \$1,436,435 for the base term and Housing Opportunities Unlimited in an amount not-to-exceed \$1,281,258 for the base term, with each contract having one (1) additional 1-year option, to provide CHA's Mobility Counseling Program.

RESOLUTION NO. 2012-CHA-52

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated July 17, 2012, entitled “RECOMMENDATION TO ENTER INTO TWO YEAR CONTRACTS WITH HOUSING CHOICE PARTNERS OF ILLINOIS AND HOUSING OPPORTUNITIES UNLIMITED TO PROVIDE CHA’S MOBILITY COUNSELING PROGRAM”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into cost reimbursement contracts for a 2-year base term with Housing Choice Partners of Illinois in an amount not-to-exceed \$1,436,435 for the base term and Housing Opportunities Unlimited in an amount not-to-exceed \$1,281,258 for the base term, with each contract having one (1) additional 1-year option, to provide CHA’s Mobility Counseling Program.

